Revenue (1951.) Department

Memo No. 60348 N/51. 1 Pg. 8.9.51

FOR MYSORE STATE

ESTABLISHED: 1935

RADIO SUPPLIERS

TELEPHONE / TELEGRAM | 212 "COOLAIR

Chandappa Engineering Works,

MECHANICAL, ELECTRICAL & AUTOMOBILE ENGINEERS.

S. P. FACTORY No. 580507

Opp: Government College, TELEPHONE

Ref: C. No. 346/51

Mangalore, 10th Aug. 1951

The Secretary to Govt.,
Finance Department, Madras.

Humble Memorial of B. Chandappa, Proprietor of Chandappa Engineering Works, Opp. Govt., College, Mangalore dated 10th August 1951.

Respected Sir,

Ref: A.No.80/51-50 D/ 14-6-1951

Being highly aggrived by the above orders of Commercial Tax Officer, South Kanara District, Mangalore, I represent the following few facts among others grounds for favour of the kind consideration of Government and favourable orders at an early date

2. The total turn over of my factory for the year 1949-50 as audited by the Certified Auditor was Rs.13,700-10-5 and this figure was furnished to the Dy. Commercial Tax Officer in our return submitted to him. But the Dy. Commercial Tax Officer, Mangalore South, estimated the ~~gross~~ Turn-over as Rs.23285-7-6 taking in to account 10% of the labour charges from the bills pertaining to labour charges and the total amount of sales tax collected by us on behalf of the Government.

3. The amount of Rs.13,700-10-5 shown by us in our return is the actual cost of materials supplied and used by us while repairing the Motor Vehicles which came to us for repairs had been clearly and correctly accounted for in our account books which was audited by the Certified Auditor. We issued bills to our customers under two separate categories and

P.T.O

Automobile Works:
REPAIRS TO MOTOR VEHICLES
BODY BUILDING TO
ALL KINDS OF TRANSPORT VEHICLES
SPRAY & BRUSH PAINTING

Electrical Works:
ELECTRIC MOTOR REPAIRS
ARMETURE REWINDING
DYNAMO REPAIRS
RADIO SALES & SERVICING
BATTERY REPAIRING & CHARGING
ETC. ETC.

Mechanical Works:
ALL KINDS OF
TURNING & MECHINING
WATER PUMPS
&
INDUSTRIAL MECHINERY REPAIRING

Manufacturing:
COFFEE ROASTERS, MILD STEEL, SIGN BOARDS, WATER TANKS, IRON GATES, VACUUM SEALING APPARATUS, STEEL CABINETS ETC. ETC.

Supplying:
WATER PUMPS,
RADIOS, ELECTRICAL GOODS,
MOTOR SPARES
AND
ACCESSORIES.

All Radios & Motor Vehicles stored, serviced & driven will be at owner's risk only; no responsbility is taken for accidents or loss by fire etc.

under two different totals - one part for labour charges and the other part for articles prepared and supplied. Sales Tax was levied on the latter in the bills themselves and all these three items were accounted for in our account books separately. The technical defect is that the bill for Labour charges and make and supply articles were typed on the same paper instead of on two ~~xxxxx~~ different papers. As no instruction to this effect was communicated to us by the Commercial Tax ~~Officer~~ department the above technical defect was crept in. Under these circumstances I pray that the benign Government may kindly be pleased to levy sales tax on the actual turn-over of Rs.13,700-10-5 pertaining to the sales of articles manufactured and supplied by us. Rule 4(3) of the T.O. seems to be defective in as much as there is every scope to evade payment of sales tax by adding one or two small items of labour charges in a big bill involving thousands of rupees of cost of materials.

4. A sum of Rs.290-3-6 collected by us as sales tax on behalf of the Govt., had also been taken into account by Dy. Commercial Tax Officer as our turn-over. This amount does not pertain to the sale of any articles. It is a great injustice to take the sales tax collected by us on behalf of the Government as our turn-over, and levy sales tax on this amount also. Hence I pray that this amount also may kindly be ordered to be deleted from the gross turn-over estimated by the Dy. Commercial Tax Officer, Mangalore South. on which sales tax had already been levied,

5. A sum of Rs.2071-4-4 pertaining to credit bills was not recovered inspite of our best attempts to recover and lastly the said amount was taken into account as bad debts. The Dy. Commercial Tax Officer refused to give deduction of this amount while estimating the gross turn-over. Hence I ~~xx~~ pray relief under this item also.

82-3-4 6. I, further beg to submit that I have started an Industry of manufacturing Electric Fans viz., Exhaust, Ceiling Table (fixed and oscillating) and the Premier Govt., of Madras was kind enough to grace my this small Industrial factory. I have invested to the last pie for developing this Indian Industry and now I find it very hard to prolong and pray this heavy tax levied on me. I, therefore most humbly and respectfully pray that the benign Govt., may kindly be pleased to come to my recue either by exempting me from payment of this

heavy sales tax for some time or to instruct the Dy. Commercial Tax Officer to levy sales tax only on the turn-over pertaining to the sales of articles shown separately in our bills under make and supply articles. I, onece again pray that an early orders may kindly be passed on this petition.

7. The copy of the visit remarks of the Premier and other Prominent persons and the copy of the order of the Commercial Tax Officer dismissing my appeal are enclosed for favour of perusal.

Thanking you in anticipation,

Yours faithfully,

(Copy to the Commercial Tax Officer to the Dy. Commercial Tax Officer, Mangalore South)

Finance (Accts)

Revenue no

21-8-51.

21.8.51

Judl 60195 Adl

In the office of the Commercial Tax Officer, South Kanara District, Mangalore.

Sri P. Deva Rao,
Commercial Tax Office
South Kanara.

Appeal petition No.80 of 51/52. under the Madras General Sales Tax Act 1939.

Date of order: 14-6-1951

1. Name and address of the applicant: Sri B.Chandappa Engineering Works Hampankatta, Mangalore.
2. Name and Designation of the assessing officer who passed the order: Sri M. Ganapathi, D.C.T.O. Mangalore South.
3. Assesment No.A2 2304/5 of 49-50 dated 31-3-1950.
4. Date of service of the above order: 24-4-1951
5. Date of institution of appeal or revision petition: 19-5-1951

   Date of resubmission after reply to audit if any. Stamp affixed Rs.1/-
6. Turn-over determind : Rs.23,285-7-6

   Tax or fee levied : Rs. 452-6-9
7. Amount of relief claimed : On a turn-over of Rs.11,656-2-5
8. Extent of relief granted: Nil
9. Represented by : In person.
10. Heard on : 14-6-1951

O R D E R:

This is an appeal against the order of the D.C.T.O. Mangalore South assessing the appellant to tax on a turn-over of Rs.23,285-7-6 finally for 1949-50.

2. The appellant is a dealer running an Automobile repair workshop. He has appealed against the DCTO's order of assesment on the following grounds :-

(1) The DCTO. has detemind the gross turn-over from works contract at Rs.25,999-7-7 and after allowing a deduction of 30% as the proportion of the cost of labour involved in the contract under rule 4 (3) of the turn-over and assessment rules, fixed the taxbble turn-over under this head at Rs.18,199-10-2. This is not correct. In each of the bills relating to the works contracts he has specified separately the price of the spare parts supplied, and the cost of labour in fitting the spare parts etc., There was therefore no necessity to club the two together and allow a deduction of only 30%. His taxable turn-over under this head is only the total of the prices of all the spare parts specified in the bills.

2. A deduction of Rs.2,071-4-4 should have been allowed on account of bad debts which could not be recovered from customers. This stands on the same footing as discount allowed to customers.

(3) Sales tax paid by customers should not have been added to the nett taxable turn-over, as it does not from part of turn-over.

3. I have heared the appllant in support of the appeal. My findings on the points raised are as follows:-

Point (1) The D.C.T.O. has ignored all contracts in which only cost of labour was charged for, Similarly in the case of contracts which namely involved supply of spare parts, without any fitting fee

P.T.O.

or other labour, he has treated the contract as sales, and levied tax on the price of the articles supplied. But, in the case of contracts which involved both sales of spare parts as well as performence of labour, he has treated them as individible works contracts under Rule 4 (3) of the T.O. and assessments Rules and treated the total amounts charged less a duduction of 30% as the net taxable turn-over. This procedure is in accordence with the Rules. As the DCTO. correctly determined the turn-over under this head, the appellant's contention is untenable and is rejected.

Point 2. Exemptions and deductions ~~xxxx~~can be given only in accordence with Rule 5(1) of the turn-over and assessment rules. Bad debts treated as not recoverable are not ons of the items for which a deduction is allowed under this rule. His claim is in admis-sible and was rightly rejected by the DCTO.

Point 3. Sales tax paid by the customer along with the price is part of the aggregate amount for which goods are sold, and forms part of the "Turnover" as defined by section 2 (i) of the M.G.S.T. Act The appellant's contention on this ~~xxxxx~~ point is not correct and is rejected. In the result the appeal is dismissed.

Sd. XXXX
Commercial Tax Officer
South Kanara

To
The Appellant through the A.C.T.O. Mangalore South
The D.C.T.O. Mangalore South with the records returned.

/ True Copy /

True Copy of Certificates.

I, visited the Chandappa Engineering Works, Mangalore and was kindly shown round by Sri. Chandappa Bangera its founder and Proprietor. Like many such enterprices in our Country, this factory is a single-man-concern and has grown up around the practical ability and initiative of a self made machanic and Engineer. Mr. Chandappa has made a Cylinder boring machine and several exhaust and ventilating fans which speak highly for the theoritical soundness and the practical skill with which they are constructed. Mr. Chandappa has further programme of manufacturing usefull appliances and I have no doubt that he will succeed in them also. I wish this consern all success and a prosperous future.

Sd. N.M.Adyanthaya
Retd, Joint Director of Industry,
Kadri Hill, Mangalore.

Date: 2-4-1949.

I, visited Mr. Chandappa's Engineering Works, this morning. Mr, Chandappa is an Automobile Engineer of a high order. He has an originality which gives effeciency to all the automobile work he does. The cylinder boring machine and the exhaust fans that he has manufactured are examples of this genius. He handles the Motor Engines with the skill of a Surgeon.

Mr. Chandappa is a Radio Engineer as well. He handles and repairs radios of all makes as any high class radio engineer does. I wish him and his concern all sucess and prosperity.

Sd. M.Sunder Rao
Personal Assistant to Special Officer
(Collector)

Mangalore:
5-4-1949.

This evening I had the oppertunity to see at work the Cylinder boring machine, Exhaust and ventilating fans and the several parts manufactured by Sri Chandappa the founder and Proprietor of the Chandappa Engineering Works. With some finishing touches they could quite favourably compare with any makes of the kind. The originality machanical skil and the invention ability of Sri Chandappa and persons of his stamp deserve every encouragement, so that our Country may forge ahead as it should.

Sd. V.Sathyavagishwar Iyar
Dist. Superintendent of Police
South Kanara.

9th Oct. 1949.

South Kanara is not lacking in talents. It is rich in talents and of a high order also. A visit to "Chandappa Engineering Works" easily gives you this idea.

Mr. Chandappa does not possess academic qualifications. He is a self made machanic and possesses remarkable resourcefulness and initiative. The Cylinder boring machine, the Exhaust and Ventilating fans, the table and ceiling fans, untouched by modern machinery are achivements of which he may well be proud.

The "Works" have a big future but then the Government and the Public have to come to his rescue. Will they do it?

Sd: L.C.Pais
L.C.Pais, B.A.B.L.,M.L.A., and chairman Mangalore Municipal council.

Mangalore:
20-10-1949

Hon.ble P.S.Kumaraswami Raja
Permier of Madras

I had the pleasure of visiting Chandappa's Engineering Works this morning. This institution is an example illustrating how individual ability and talents can succeed, if pursued with perserverance. The articals manufactured here seak well of Mr. Chandappa Engineering Skill.

Sd. P.S.Kumaraswami Raja
Premier of Madras.

Sri Chandappa is a self-made Engineer of [redacted] versatile talents. The revolving table fans and the exhaust fans recently made in his factory are examples of this technical skill. I wish him every [redacted] success in his business enterprice.

Camp: Mangalore
date: 29-10-1949

Sd; A.B.Shetty
Minister for Agriculture.

I was extremly pleased to find the excellent work turned out by Sri Chandappa. His fans have a finish that can stand comparison with any made elsewhere. I wish him every success.

SD. K.V.Karanth
Chief Electrical Inspector to Govt.

I have been keenly following Mr. Chandapp s efforts to manufacture electric fans. He has succeeded in producting ceiling and table fans in different sizes. He has also succeeded in manufacturing Oscillating table fans for the first time in this country. His products are as good as the imported stuff. He deserves encouragement and help in expanding the Industry, the products of which have a great deamnd.

Mangalore:
1-4-1950.

Sd: K.B.Jinaraja Hegde.

I am pleased to see Mr. Chandappa's Work. He repaired my car to my entire satisfaction. He an original machanic. His latest production is Electric Fans. It is a pleasure to sit in its breeze, and the noiceless manner in which it works, makes it compare favourably, may I say in some respects, superior to the ones available in the market I am buying one for my-self. I wish and pray that God will recognise his worth and get him his desires. His other appliances in Electricity could be seen by any body coming to his workshop. He is a good gentleman and his manners and the conscientious work he does, must make him immensly popular.

Mangalore:
15-6-1950

Sd: K.Gopalkrishna Iyar
Dist. Supernitendent of Police
South Kanara.

Sri B.Chandappe is an automobile engineer of a high order. He has an originality which gives great efficiency to all automobile work he does. The revolving table fans, the exhaust fans, ceiling fans, cylinde reboring machine and air compresure unit which are being manufactured in his factory and which compare favourably with foreign makes are examples of his extra-ordinary skill. I wish him every success.

Mangalore:
23-11-1950.

Sd: Syed Ahmed
Collector and District Magistrate
South Kanara.

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8 Rev D.

Memo no. 60348 N/51-1 dated 8.9

Tax. The Madras General Sales Tax Act, 1939 - (South Kanara) - Mangalore Chandappa Engineering Works - Assessment for 1949-50 - Orders in Appeal - Representation to Govt

Please
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10.9.51.

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From M/S. Chandappa Engineering Works. Petition dt 10.8.51

M/S. Chandappa Engineering works. Mangalore are informed that they may ~~with~~ prefer a revision application to the Dy. Commissioner of Commercial Taxes under section 12 (2) or an appeal to the Sales Tax Appellate Tribunal under Section 12-A (1) of the Madras General Sales Tax Act, 1939, against

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e- orders from C.T.O. South Kanara dt: 4 5 51
referred to in their petition quoted
above.

Bdm
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To

M/s. Chandaffa
Engineering Works,
Mechanical, Electrical
& Automobile Engineers
O/p. Govt College
Mangalore